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Using the Internet to Leverage Sponsorships

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Abstract

This study considers the effectiveness of the Internet as a medium through which sponsorship investments can be leveraged. It considers the variables of sponsor-sponsee congruence, articulation, and the extent to which a sponsorship is leveraged via sponsor websites, in relation to consumer attitudes toward brand and company level variables across time. Results show that, consumer attitudes are more favourable for congruent sponsorships, those that are not articulated in commercially-oriented terms, and those that are leveraged via sponsor websites. Additionally, after a seven-day delay, leveraged sponsorships display sustained positive attitudes whereas those not leveraged display a decline in attitudes.

Keywords: sponsorship, leverage, activation, Internet

While in the early days of sponsorship it may not have been common to see anything more than a sponsor's brand name or logo displayed in the background at a sporting event, today sponsor-related merchandising, public relations activities, and thematically linked advertising are increasingly being used to leverage sponsorship investments. The purpose of this study is to consider the value of leveraging sponsorships in terms of impact on consumer attitudes toward the sponsor, specifically when sponsor websites are used as the leveraging medium.

A definition of commercial sponsorship which takes leveraging potential into account is that from Quester and Thompson (2001, p. 34) which was adapted from Meenaghan (1991). These researchers described sponsorship as "an investment, in cash or in kind, in an activity, person or event (sponsee), in return for access to the exploitable commercial potential associated with that activity, person or event by the investor (sponsor)." Sponsorship leverage then (the term 'activation' is also used) can be described as "the act of using collateral marketing communications to exploit the commercial potential of the association between a sponsee and sponsor."

The results of a recent online survey commissioned by the International Events Group (IEG) indicated that sponsors estimated they would spend an average of \$1.70 on leveraging activities for every \$1.00 paid in sponsorship rights fees for 2006 (IEG, 2006). These results are suggestive of a growing acceptance of the need to leverage sponsorships, and are undoubtedly satisfying to the many sponsorship researchers who have in recent years advocated more proactive leveraging of sponsorship investments (e.g., Becker-Olsen & Simmons, 2002; Burton, Quester, & Farrelly, 1998; Cornwell, Weeks, & Roy, 2005; Crimmins & Horn, 1996; Grohs,

Wagner, & Vsetecka, 2004; Meenaghan, 1998; Meenaghan & Shipley, 1999; Polonsky & Speed, 2001; Quester & Thompson, 2001; Weeks, Cornwell & Humphreys, 2005). Despite these trends however, it is likely that a large number of sponsors still invest little money beyond the sponsorship rights fee, and ignore many of the leveraging opportunities available to them.

Results from the IEG survey (IEG, 2006) indicate that public relations activities and internal communications were the two most popular forms of sponsorship leverage (used by 77% and 76% of the sample respectively), closely followed by advertising (73%), hospitality (65%), and Internet tie-ins (59%). Given that without any form of sponsorship activation, a firm's sponsorship may only impact the immediate and direct media-based audiences for an event, the adoption of collateral marketing communications activities to leverage sponsorships can be seen as a way to increase the likelihood of more consumers being impacted by the firm's investment.

Despite a clear need, studies reporting on the Internet's effectiveness as a tool to leverage sponsorships are not apparent in the literature. The aim of this paper therefore, is to consider how effectively the Internet can be used to leverage a traditional sponsorship. Using a quasi-experimental design, sponsor-sponsee congruence and articulation are manipulated in conjunction with event leverage via sponsor website. These are considered over time, using measures relating to both attitude toward brand and attitude toward company. In accordance with previous research we expect that congruent sponsorships will result in more positive attitudes than incongruent ones since a more obvious relationship between the sponsor and sponsee should be easier to process (d'Astous & Bitz, 1995; Musante, Milne, & McDonald, 1999).

H1: Sponsor-sponsee congruence will lead to higher attitudinal ratings than will sponsor-sponsee incongruence for both brand and company level measures.

Building on the work of Cornwell et al. (2006), which shows that the provision of an articulatory statement explaining the rationale for the sponsorship can improve memory for sponsorship information, we also test a prediction that attitude toward the sponsor may be moderated by the perceived commerciality of articulatory statements. We expect that commercially-oriented articulation will lead to less favourable attitudes than non commercially-oriented articulation.

H2: The presence of commercially-oriented articulation will result in lower attitudinal ratings compared to when non commercially-oriented articulation is used, for both brand and company level measures.

The leveraging of a sponsorship is also expected to enhance attitudes since it emphasises that a sponsorship is being undertaken and draws attention to the sponsor's investment in the event.

H3: Event presence (leverage) on the sponsor's website will lead to higher attitudinal ratings for both brand and company level measures.

We also expect that the congruence, articulation and leverage variables will interact, and that these interactions may vary across time.

H4: Congruence, articulation, and leverage will interact such that articulation and leverage combined will lead to enhanced attitudinal ratings, and this will be more evident for congruent than incongruent sponsorships.

H5: Enhanced attitudinal ratings due to congruence, articulation and leverage will remain over time.

Method

Our sample consisted of 114 undergraduate marketing students, aged between 17 and 34 with a median age of 19 years. A 2 (congruent, incongruent) x 2 (articulated, unarticulated) x 2 (leveraged, non-leveraged) x 2 (Time 1 [no delay], Time 2 [seven-day delay]) mixed factorial design was used. Congruence, articulation and leverage were between groups variables, and testing time was a within groups variable. Attitude toward the brand and attitude toward the company were the two dependent variables, measured at both testing times. Internet usage and event experience were held as covariates.

Adidas (www.adidas.com) was chosen as the event sponsor. Two fictitious events were created that would appeal to the target group and were also likely to be perceived as having high congruence (a track and field relay event) and low congruence (a youth-oriented music festival) with Adidas. Realistic websites were developed which contained web pages representing the different conditions of congruence, articulation and leverage. Eight versions of the website were developed in total. Each website was composed of a series of three web pages.

The first web page was event-based and provided general details about the event (to introduce the congruence manipulation) together with a paragraph outlining comments from the sponsor, Adidas, about its sponsorship of the event. This paragraph served as the platform for the articulation manipulation, and thus stated either that the sponsorship was being undertaken because of overlap between the event audience and brand target market and therefore allowed access to a hard-to-reach group (commercially-oriented articulation), or because the event provided an opportunity to showcase young athletic/musical talent and inspire upcoming athletes/musicians (non commercially-oriented articulation). An "Adidas" hyperlink at the bottom of the page led to the second web page which was constructed as a fictitious section of the Adidas website. This page provided information about the general Adidas philosophy and gave emphasis to either brand profile information (forming the basis of the non-leveraged website condition) or brand sponsorship philosophy information (forming the basis of the leveraged website condition). At the bottom of this page was a link to the third web page, which was either an extension of the leveraged or non-leveraged manipulations. In the leveraged condition the page displayed additional information about the event (competing athletes and their profiles, or performing brands and their profiles), while in the non-leveraged condition the page displayed additional information about Adidas (corporate strategy and management profiles).

Students participated in the study as part of a tutorial activity in a teaching-oriented computer laboratory. Immediately prior to navigation of the website, participants completed a two-page questionnaire designed to gather demographic information, together with Internet usage and brand familiarity information. Directly after navigation of the website, participants were asked to complete a second two-page questionnaire which contained measures to gauge perceptions of the congruence between the event and sponsor (as a manipulation check), experience with the type of event described on the web site, and attitudes towards the Adidas brand, and towards Adidas as a company. These were the Time 1 measures. Seven days later, in the same tutorial class, participants were asked to complete a third two-page questionnaire in which they were required to again indicate their attitude towards the Adidas brand and towards Adidas as a company. These were the Time 2 measures. A debriefing session followed.

Results and Discussion

Results showed that there were differences in attitudes based on the congruence, articulation and leverage manipulations as hypothesised. In terms of sponsor-sponsee congruence, results did show that the more congruent sponsorship resulted in higher overall attitudinal ratings toward the sponsor, both at the brand level $F(1, 104) = 4.355, p = .039$, and company level, $F(1, 104) = 4.287, p = .041$. This finding was predicted, and is in line with what is often found in traditional sponsorship research. The results indicate that congruence effects can generalize to sponsorships leveraged on the Internet.

It was also predicted and found that the provision of a clearly commercially-oriented articulatory statement led to less favourable attitudinal ratings than did a non commercially-oriented articulatory statement. This effect was significant at the brand level $F(1, 104) = 7.997, p = .006$, and marginally significant at the company level $F(1, 104) = 3.582, p = .061$. Thus, while Cornwell et al. (2006) reported that an articulatory statement explaining a sponsor's rationale for undertaking a sponsorship can enhance memory effects, results of the current study indicate that the effects of such a statement on attitudinal ratings may be moderated by its apparent commerciality. These results suggest that explaining a sponsorship investment to consumers in a clearly commercially-oriented way may not be optimal in terms of promoting positive attitudinal ratings, at least when compared to using a non commercially-oriented explanation.

Results also indicate that the degree to which the sponsorship was leveraged on the website, which was the primary focus of this study, did significantly affect participant attitudes at both brand $F(1, 104) = 7.479, p = .007$, and company levels, $F(1, 104) = 14.243, p < .001$. As expected when a sponsor uses its website to highlight its relationship with an event through providing event-specific information and elaborating on the sponsorship via the site, consumers respond more positively. In contrast when the sponsor makes little effort to emphasize the sponsorship, responses are less positive.

In what might be considered one of the most important results from this study, the effect of leverage interacted with time, such that after a seven day delay, the attitudes of participants who had navigated the leveraged website remained similarly high, while the attitudes of those who had not navigated the leveraged website showed a marked decline. While this was significant only at the company level $F(1, 104) = 4.326, p = .040$ (see Figure 1), the trends at the brand level did follow the same pattern despite not reaching significance $F < 1$. Thus, sponsors who leverage their sponsorships on the Internet are not only likely to improve the attitudes of those who visit the site, but this is likely to remain for some time after the site has been visited. Minor investments by firms to leverage sponsorships via their websites can therefore be beneficial for sponsors both in the very short and medium-term timeframes. Moreover firms not leveraging via their websites may be passing up a valuable opportunity.

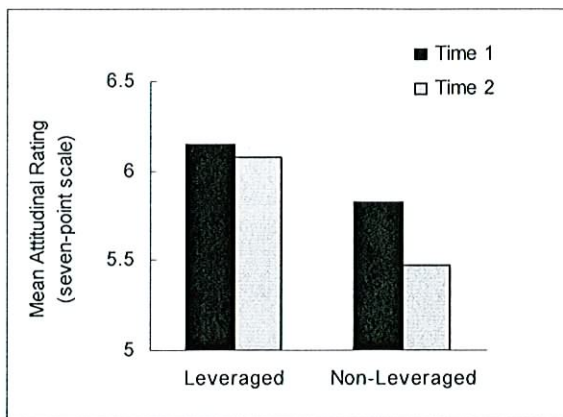


Figure 1. Mean attitudinal ratings toward company as a function of time and website leverage

The study also revealed an interaction between congruence, articulation and leverage that was significant at the company level, $F(1, 104) = 4.132, p = .045$ (see Figure 2), but not at the brand level $F < 1$. Results showed that for the incongruent sponsorship, there was a large difference between attitudes across the non commercially-oriented and commercially-oriented articulation conditions when the sponsorship had been leveraged on the website (with non commercial articulation resulting in higher attitudinal ratings), but there was no difference when it had not been leveraged. In contrast, for the congruent sponsorship there was little difference between attitudes across the non commercially-oriented and clearly commercially-oriented articulation conditions for the leveraged version, while there was considerably more difference for the non-leveraged version (again with non commercial articulation resulting in higher attitudinal ratings). It appears that for the less congruent sponsorship, the beneficial effects of providing leverage were inhibited by the provision of a commercially-oriented articulatory statement. When such a statement was present, the benefits of leveraging the sponsorship were not realized, and instead attitudes were similar to when no leveraging had been used. For the congruent sponsorship it appears that the non commercially-oriented statement improved the non-levered website ratings (or alternatively that the commercial-orientation of the articulatory statement made the poorer attitudinal ratings of the non-leveraged website worse). Having a commercially-oriented articulatory statement for the congruent leveraged website did not seem to lead to less positive attitudinal ratings -- perhaps a high congruence combined with leverage is able to override the negative impact of a commercially-oriented articulatory statement.

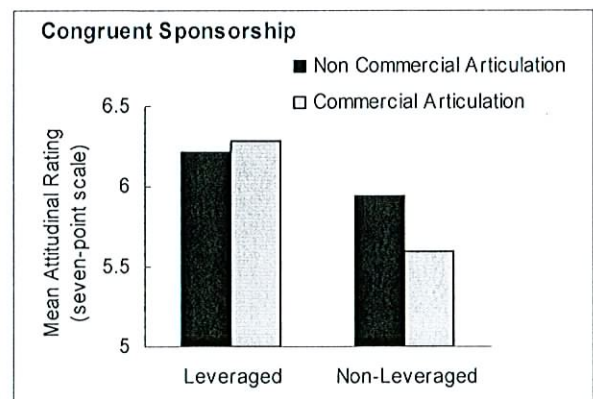
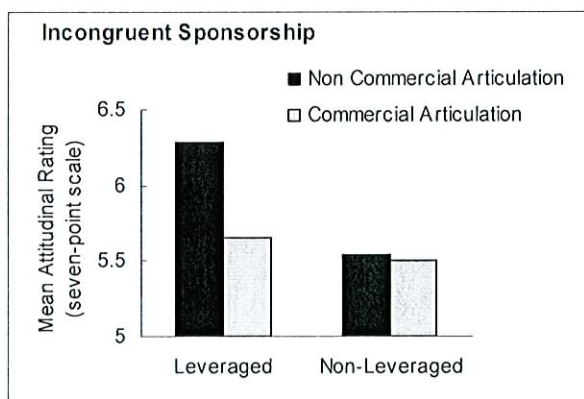


Figure 2. Mean attitudinal ratings toward company as a function of sponsorship congruence, website leverage and articulation.

From a more practical stance, the findings suggest that if the sponsor-sponsee relationship is not obvious (i.e., has low congruence), then leveraging a sponsorship may help to enhance attitudes, but this may be negated if the relationship is explained as being commercially-oriented. If a sponsor-sponsee relationship is obvious (i.e., has high congruence), and perhaps already seen for its commercial nature then leveraging activities can help to enhance attitudes even if the sponsorship is explained in commercially-oriented terms, while explaining the sponsorship in non commercially-oriented terms may help to improve ratings when no leveraging is used.

That both the above leverage x time, and congruence x articulation x leverage interactions were significant only at the company level does not imply that brand attitudes are less likely to be impacted by leveraging activities. It may be that for firms like Adidas, consumers have more established perceptions of the brand than they do of the company. As such, company level attitudes may be easier to sway than brand level attitudes, particularly among audiences where most previous experience is likely to have been at the brand level. The significant effects obtained were present after only a single exposure to website material, and it may be that changes to established brand level attitudes require greater or more sustained leveraging activities.

Conclusion

While practitioners appear increasingly to be taking advantage of the leveraging opportunities available to them, many still do not do so, and many are yet to realise some of the most cost effective ways of leveraging. This study has demonstrated that sponsors' websites can be a good way in which to leverage sponsorships in order to improve attitudes (at least toward the company), and moreover that this may be sustained well beyond a brief visit to the website. As an important sideline issue, the study has also shown that articulation research in relation to attitudinal measures, may be elucidated through considering potential moderators such as the commercial orientation of the statements used.

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